

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING

DOCKET NO. VGOB-03/01/21-1112

ELECTIONS, UNIT: V-502130

(hereinafter "Subject Drilling Unit")

REPORT OF BOARD

FINDINGS AND ORDER

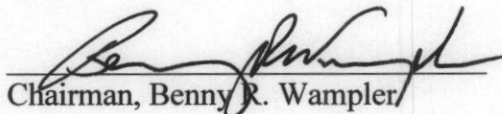
1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992, at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirement of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for subject Docket on June 4, 2003 and recorded at Instrument No. 200302907, in the Office of the Clerk of Circuit Court, Wise County, Virginia on June 18, 2003 (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interest in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.
2. Findings: The Board finds that:
 - (a) The Board Order directed Equitable Production Company, (herein the Designated Operator"), to mail copies of the Board Order to all respondents whose interest, if any, were pooled by said Board Order;
 - (b) The designated operator filed its affidavit of mailing dated June 27, 2003, disclosing that it had mailed a correct copy of the Board's Order to all Respondents whose interest, if any, were pooled by said Board Order;
 - (c) The Board Order required each Respondent whose interest, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated August 29, 2003, in accordance with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.70C (herein "Affidavit of Election"), wherein it has, for each Respondent whose interest, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the

nature of the election made, if any; (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interest, estates and claims in Subject Drilling Unit to the Designated Operator;

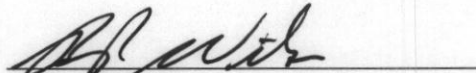
- (d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto as Exhibit B;
 - (e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, First Union National Bank, Corporate Trust, PA 1328, 123 Broad Street, Philadelphia, PA 19109-1199, (888) 396-0853, Attn: Don Ballinghoff, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated December 23, 1992.
3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2 above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, First Union National Bank, Corporate Trust, PA 1328, 123 Broad Street, Philadelphia, PA 19109-1199, (888) 396-0853, Attn: Don Ballinghoff, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said affidavits to receive such funds and account to the Board therefore.
 4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that true and correct copy of this Order to each person whose interest or claim is subject to escrow and whose address is known.
 5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.
 6. Effective Date: This Order shall be effective on the date of its execution.

000111 SEP 15 2003

DONE AND EXECUTED this 8th day of September, 2003 by a majority of the Virginia Gas and Oil Board.

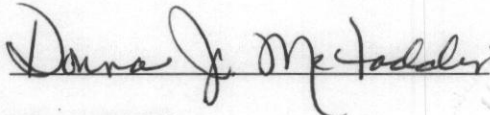

Chairman, Benny R. Wampler

DONE AND PERFORMED THIS 11th day of September, 2003 by Order of this Board.


B. R. Wilson
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WISE)

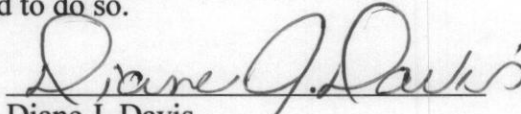
Acknowledged on this 8th day of September, 2003, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Notary Public

My commission expires: September 30, 2004.

STATE OF VIRGINIA)
COUNTY OF ~~WISE~~)

Washington Jr
Acknowledged on this 11 day of September, 2003, personally before me a notary public in and for the Commonwealth of Virginia, appeared B. R. Wilson, being duly sworn did depose and say that he is Principal Executive to the Staff Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Diane J. Davis
Notary Public

My commission expires: 9/30/05.

VIRGINIA:***BEFORE THE VIRGINIA GAS AND OIL BOARD***

IN RE: Application of Equitable Production Company, for Forced Pooling of Interests in Unit Number V-502130 VGOB Docket No. VGOB-03/01/21-1112 in the Lipps Magisterial District of Wise County, Virginia.

AFFIDAVIT OF WILHOIT & KAISER, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

James E. Kaiser (herein Affiant), being first duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of WILHOIT & KAISER, the Agent for the Designated Operator, with offices located at 220 Broad Street, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on June 4, 2003, by the Virginia Gas and Oil Board regarding the captioned Conventional Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on June 18, 2003.
5. That the Designated Operator, by and through their agent, Wilhoit & Kaiser, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election periods:

NONE

6. That the interest and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia; that opposite the name of each person named as a Respondent listed below is set forth:

NONE

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims which are not subject to escrow:

NONE

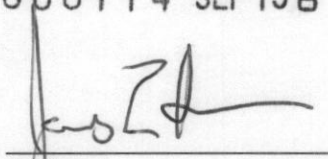
8. That the following persons have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective interests shall be deemed to have leased pursuant to and in accordance with paragraph 10 of the Order.

<u>Tract</u>	<u>Name</u>	<u>Cash Consideration</u>
9	Danny Ray Laney & Debra Laney	.612 x \$5.00 = \$3.06
9	Carolyn Sue Laney McCoy & Edward McCoy	.612 x \$5.00 = \$3.06
10	Gregory Lee Hall	5.4 x \$5.00=\$27.00

That pursuant to the provision of 4VAC 25-160.70C annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent are not required in this matter pursuant to the terms of §§ 45.1-361.21.D.

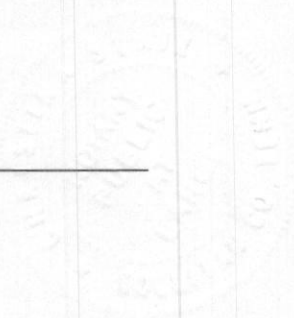
Dated at Kingsport, Tennessee, this 29th day of August 2003.

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Affiant

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of Equitable Production Company, a corporation, on behalf of the corporation, this 29th day of August 2003.

My commission expires: 7/25/05


Christina Blain
Notary

000115 SEP 15 8

EXHIBIT "B"
502130

VGOB# 03/01/21-1112

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>	
<u>Gas Estate</u>						
1	John R. Powers and Mary Powers, H/W 3627-B Hall Hollow Road Coeburn, VA 24230	Leased-EPC 223038.01 Tract WI-227	18.450000%	20.8000	0.02306250	RI
	Equitable Production Company				0.16143750	WI
TRACT 1 TOTAL			18.450000%	20.8000	0.18450000	
2	Coastal Coal Corporation, LLC Attn: Mr. Jess Justice PO Box 1578 Coeburn VA 24230-1578	Leased-EPC 904576 Tract WI-227	5.090000%	5.7400	0.00636250	RI
	Equitable Production Company				0.04453750	WI
TRACT 2 TOTAL			5.090000%	5.7400	0.05090000	
3	Coastal Coal Corporation, LLC Attn: Mr. Jess Justice PO Box 1578 Coeburn VA 24230-1578	Leased-EPC 904576 Tract WI-227	0.250000%	0.2900	0.00031250	RI
	Equitable Production Company				0.00218750	WI
TRACT 3 TOTAL			0.250000%	0.2900	0.00250000	
4	Coastal Coal Corporation, LLC Attn: Mr. Jess Justice PO Box 1578 Coeburn VA 24230-1578	Leased-EPC 904576 Tract WI-226	4.020000%	4.5300	0.00502500	RI
	Equitable Production Company				0.03517500	WI
TRACT 4 TOTAL			4.020000%	4.5300	0.04020000	
5	Coastal Coal Corporation, LLC Attn: Mr. Jess Justice PO Box 1578 Coeburn VA 24230-1578	Leased-EPC 904576 Tract WI-237	25.400000%	28.6300	0.03175000	RI
	Equitable Production Company				0.22225000	WI
TRACT 5 TOTAL			25.400000%	28.6300	0.25400000	
6	Coastal Coal Corporation, LLC Attn: Mr. Jess Justice PO Box 1578 Coeburn VA 24230-1578	Leased-EPC 904576 Tract WI-237	5.210000%	5.8700	0.00651250	RI
	Equitable Production Company				0.04558750	WI
TRACT 6 TOTAL			5.210000%	5.8700	0.05210000	

EXHIBIT "B"
502130

000116 SEP 15 8

VGOB# 03/01/21-1112

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>	
7	Coastal Coal Corporation, LLC Attn: Mr. Jess Justice PO Box 1578 Coeburn VA 24230-1578	Leased-EPC 904576 Tract WI-237	9.700000%	10.9200	0.01212500	RI
	Equitable Production Company				0.08487500	WI
TRACT 7 TOTAL			9.700000%	10.9200	0.09700000	
8	Coastal Coal Corporation, LLC Attn: Mr. Jess Justice PO Box 1578 Coeburn VA 24230-1578	Leased-EPC 904576 Tract WI-237	7.230000%	8.1500	0.00903750	RI
	Equitable Production Company				0.06326250	WI
TRACT 8 TOTAL			7.230000%	8.1500	0.07230000	
9	Bobbie Darrell Laney and Janie Laney, H/W Route 4, Box 229 Clinchport, VA 24244	Leased-EPC 904798.02	0.544000%	0.6120	0.00068000	RI
	David Eugene Laney 13475 Crab Orchard Road Coeburn, VA 24230	Leased-EPC 904798.03	0.544000%	0.6120	0.00068000	RI
	Michael Landon Laney, single 13475 Crab Orchard Road Coeburn, VA 24230	Leased-EPC 904798.01	0.544000%	0.6120	0.00068000	RI
	Danny Ray Laney and Debra Laney, H/W PO Box 1090 Castlewood, VA 24224	Unleased File No. 904798.04	0.544000%	0.6120	0.00068000	RI
	Carolyn Sue Laney McCoy and Edward McCoy, W/H 10483 Pine Camp Road Coeburn, VA 24230	Unleased File No. 904798.05	0.544000%	0.6120	0.00068000	RI
	Equitable Production Company				0.02380000	WI
TRACT 9 TOTAL			2.720000%	3.0600	0.02720000	
10	Gregory Lee Hall, single 803 Bacon Court Newport News, VA 23602	Unleased File No. 904858.00	4.792500%	5.4000	0.00599062	RI
	Faye Hall, widow Route 5, 1488 Rest Haven Drive, Mansfield, OH 44903	Leased-EPC 904803.00	1.597500%	1.8000	0.00199688	RI
	Equitable Production Company				0.05591250	WI
TRACT 10 TOTAL			6.390000%	7.2000	0.06390000	

EXHIBIT "B"
502130

000117 SEP 15 8

VGOB# 03/01/21-1112

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>	
11	Hansford J. Salyer and Elsie M. Salyer, H/W 3503 Hall Hollow Road Coeburn, VA 24230	Leased-EPC 904768.00	4.390000%	4.9500	0.00548750	RI
	Equitable Production Company				0.03841250	WI
TRACT 11 TOTAL			4.390000%	4.9500	0.04390000	
12	Willard L. Funk and Katherine E. Funk, H/W PO Box 1824 Coeburn, VA 24230	Leased-EPC 904797.00	1.200000%	1.3500	0.00150000	RI
	Equitable Production Company				0.01050000	WI
TRACT 12 TOTAL			1.200000%	1.3500	0.01200000	
13	John R. Powers and Mary Powers, H/W 3627-B Hall Hollow Road Coeburn, VA 24230	Leased-EPC 243405.01	1.470000%	1.6600	0.00183750	RI
	Equitable Production Company				0.01286250	WI
TRACT 13 TOTAL			1.470000%	1.6600	0.01470000	
14	John R. Powers and Mary Powers, H/W 3627-B Hall Hollow Road Coeburn, VA 24230	Leased-EPC 223038.01	1.380000%	1.5500	0.00172500	RI
	Equitable Production Company				0.01207500	WI
TRACT 14 TOTAL			1.380000%	1.5500	0.01380000	
15	John R. Powers and Mary Powers, H/W 3627-B Hall Hollow Road Coeburn, VA 24230	Leased-EPC 223038.01	3.120000%	3.5100	0.00390000	RI
	Equitable Production Company				0.02730000	WI
TRACT 15 TOTAL			3.120000%	3.5100	0.03120000	
16	Arnold Mullins and Juanita Mullins, H/W 3627-A Hall Hollow Road Coeburn, VA 24230	Leased-EPC 223038.01	0.680000%	0.7700	0.00085000	RI
	Equitable Production Company				0.00595000	WI
TRACT 16 TOTAL			0.680000%	0.7700	0.00680000	

EXHIBIT "B"
502130

000118 SEP 15 2003

VGOB# 03/01/21-1112

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>	
17	John R. Powers and Mary Powers, H/W 3627-B Hall Hollow Road Coeburn, VA 24230	Leased-EPC 223038.01	1.650000%	1.8600	0.00206250	RI
	Equitable Production Company				0.01443750	WI
TRACT 17 TOTAL			1.650000%	1.8600	0.01650000	
18	John R. Powers and Mary Powers, H/W 3627-B Hall Hollow Road Coeburn, VA 24230	Leased-EPC 243405.01	0.710000%	0.8000	0.00088750	RI
	Equitable Production Company				0.00621250	WI
TRACT 18 TOTAL			0.710000%	0.8000	0.00710000	
19	John R. Powers and Mary Powers, H/W 3627-B Hall Hollow Road Coeburn, VA 24230	Leased-EPC 223038.01	0.600000%	0.6700	0.00075000	RI
	Equitable Production Company				0.00525000	WI
TRACT 19 TOTAL			0.600000%	0.6700	0.00600000	
20	John R. Powers and Mary Powers, H/W 3627-B Hall Hollow Road Coeburn, VA 24230	Leased-EPC 223038.01	0.210000%	0.2400	0.00026250	RI
	Equitable Production Company				0.00183750	WI
TRACT 20 TOTAL			0.210000%	0.2400	0.00210000	
21	Arvid Dane Osborne and Linda A. Osborne, H/W PO Box 1640 Coeburn, VA 24230	Leased-EPC 223042.01	0.020000%	0.0200	0.00002500	RI
	Equitable Production Company				0.00017500	WI
TRACT 21 TOTAL			0.020000%	0.0200	0.00020000	
22	Donald W. Salyers and Alice Salyers, H/W 14131 Dry Fork Road Coeburn, VA 24230	Leased-EPC 904799.00	0.110000%	0.1200	0.00013750	RI
	Equitable Production Company				0.00096250	WI
TRACT 22 TOTAL			0.110000%	0.1200	0.00110000	
TOTAL GAS ESTATE			100.000000%	112.6900	1.00000000	

INSTRUMENT #200306598
RECORDED IN THE CLERK'S OFFICE OF
WISE COUNTY, VA
SEPTEMBER 15, 2003 AT 01:25PM
J. JACK KENNEDY, JR., CLERK

BY: _____

(DC)

COMMONWEALTH OF VIRGINIA



OFFICIAL RECEIPT
WISE COUNTY CIRCUIT
DEED RECEIPT

DATE: 09/15/03 TIME: 13:27:31 ACCOUNT: 195CLR200304599 RECEIPT: 03000010276
CASHIER: TIS REG: WV31 TYPE: ORDER PAYMENT: FULL PAYMENT
INSTRUMENT : 200304599 BOOK: PAGE: RECORDED: 09/15/03 AT 13:25
GRANTOR: VIRGINIA GAS AND OIL BOARD EX: Y LOC: CO
GRANTEE: LANEY, DANNY RAY EX: N PCT: 100%
AND ADDRESS : CLOVERLEAF SQUARE, BLDG. 3 BIG STONE GAP, VA. 24219
RECEIVED OF : DEPARTMENT OF MINES, MINERALS DATE OF DEED: 09/11/03
CHECK : \$20.00
DESCRIPTION 1: SUPPLEMENTAL ORDER (POOLING) PAGES: 10
2: NAMES: 0
CONSIDERATION: .00 ASSUME/VAL: .00 MAP: PAID
CODE DESCRIPTION PAID CODE DESCRIPTION 20.00
301 DEEDS 20.00
TENDERED : 20.00
AMOUNT PAID: 20.00
CHANGE AMT : .00

CLERK OF COURT: J. JACK KENNEDY, JR.

762

Instrument Control Number

[]

000107 SEP 15 2003

Commonwealth of Virginia
Land Record Instruments
Cover Sheet - Form A

INSTRUMENT #200304599
RECORDED IN THE CLERK'S OFFICE OF
WISE COUNTY ON
SEPTEMBER 15, 2003 AT 01:25 PM
J. JACK KENNEDY, JR., CLERK

[ILS Cover Sheet Agent Online 1.1.2]

BY: [Signature]

(DC)

T A X R P E X E M P T	C	Date of Instrument	[09/11/2003]
	O	Instrument Type	[ORDER]
	R	Number of Parcels	[1]
	P	Number of Pages	[10]
		City <input type="checkbox"/> County <input checked="" type="checkbox"/> [Wise County]	

(Box for Deed Stamp Only)

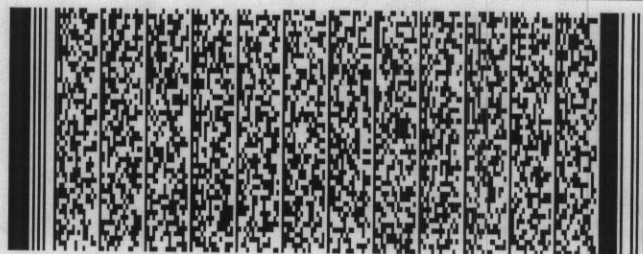
First and Second Grantors			
Last Name	First Name	Middle Name	Suffix
<input checked="" type="checkbox"/> [Virginia Gas and Oil Bo]	[]	[]	[]
<input type="checkbox"/> []	[]	[]	[]

First and Second Grantees			
Last Name	First Name	Middle Name	Suffix
<input type="checkbox"/> [Laney]	[Danny]	[Ray]	[]
<input type="checkbox"/> [Laney]	[Debra]	[]	[]

Grantee Address (Name)	[Equitable Production Company]
(Address 1)	[Cloverleaf Square, Bldg. G]
(Address 2)	[]
(City, State, Zip)	[Big Stone Gap] [VA] [24219]
Consideration [0.00]	Existing Debt [0.00] Assumption Balance [0.00]

Prior Instr. Recorded at: City <input type="checkbox"/> County <input checked="" type="checkbox"/> [Wise County]	Percent in this Juris.(%) [100]
Book [] Page [] Instr. No [20030]	
Parcel Identification No (PIN)	[V-502130]
Tax Map Num. (if different than PIN)	[]
Short Property Description	[Supplemental Order (Pooling)]
Current Property Addr (Address 1)	[]
(Address 2)	[]
(City, State, Zip)	[] [] []

Instrument Prepared by	[Virginia Gas and Oil Board]
Recording Paid for by	[Department of Mines, Minerals]
Return Recording to (Name)	[Diane Davis]
(Address 1)	[P. O. Box 1416]
(Address 2)	[]
(City, State, Zip)	[Abingdon] [VA] [24212]
Customer Case ID	[030121112] [] [CS]



[illegible]

Commonwealth of Virginia
Land Record Instruments
Cover Sheet - Form B

T	G	C	Date of Instrument	[09/11/2003]
A	R	O	Instrument Type	[ORDER]
X	A	R		
	N	P	Number of Parcels	[1]
E	T			
X	O		Number of Pages	[10]
E	R			
M			City <input type="checkbox"/> County <input checked="" type="checkbox"/> [Wise County	
P				
T				

Grantor:

Grantors/Grantees/Parcels Continuation Form B[illegible]

Prior Instr. Recorded at: City	County	[Percent in this Juris.(%)	[
Book	Page	Instr. No		
Parcel Identification No (PIN)				
Tax Map Num. (if different than PIN)				
Short Property Description				
Current Property Addr.(Address 1)				
(Address 2)				
(City, State, Zip)				

